

Bosnian Government, was to go in and take the weapons from the Bosnian Serbs, the Bosnian military in Srebrenica, in return for a guarantee of protection for six safe areas. That was the deal.

It was supposed to be putting the city and the surrounding areas under the protection of the United Nations. Then the United Nations, of course, did not live up to its half of the bargain. Its blue-helmeted peacekeepers were kept lightly armed and, as a consequence, unable to withstand a Bosnian Serb onslaught. NATO air strikes were called for by the Dutch blue hats. The United Nations concluded that this was not a good time to do that. NATO air strikes were eventually called in too late to have any effect. The safe area of Srebrenica proved to be safe only for Serbian aggressors.

Srebrenica was filled with thousands of Moslem refugees from elsewhere in eastern Bosnia, the victims of the vile Serbian practice that they refer to as ethnic cleansing, the very people the United Nations pledged to protect in return for them giving up what few weapons they had. The United Nations defaulted on its honor. It has disgraced itself. And these pathetic souls, already once driven from their ancestral homes, are now reportedly fleeing Srebrenica to an uncertain fate in undetermined locations, and I expect many will meet the fate of that family I visited in Tuzla a year and a half ago.

Could the United Nations have saved Srebrenica? Of course it could have, if it only allowed NATO to do its job promptly and fully. Perhaps the most frustrating and maddening aspect of the entire catastrophe is the fact that the Bosnian Serbs were able to defy NATO, which has been hobbled by being tied to the timorous U.N. civilian command, led by Mr. Akashi.

Mr. President, we must immediately change the course of our policy in the former Yugoslavia. First of all, as I and others have been saying in this Chamber for more than 2 years, we must lift the illegal and immoral arms embargo on the Government of Bosnia and Herzegovina. A resolution to that effect, which I am cosponsoring, will be introduced next week. I am confident that it will pass with a comfortable majority.

Mr. President, the fall of Srebrenica has given the lie to pundits in the United States—but especially in Western Europe—who have ceaselessly issued dire warnings that if the United States would unilaterally lift the arms embargo, the Bosnian Serbs would then overrun the eastern enclaves.

Well, Mr. President, apparently, someone forgot to explain this causal relationship to the Serbs. I suppose the apostles of appeasement will now say that if we lift the embargo, the Bosnian Serbs will overrun the remaining two enclaves, or maybe Sarajevo, or maybe Western Europe. After all, Mr. President, we have been led to believe that we are facing a juggernaut.

That is nonsense. We are talking about a third-rate, poorly motivated, middle-aged force that has to dragoon its reserves from the cafes of Belgrade to fight.

In reality, of course, this tiresome rhetoric has been a smokescreen for doing nothing, for sitting back and watching this vile ethnic cleansing, mass rapes, cowardly sniping at children, and other military tactics at which the Bosnian Serbs excel. "How regrettable," the appeasers say publicly. "But as long as these quarrelsome south Slavs contain their feuding to Bosnia," they add, "then it is nothing to get too exercised about."

Well, Mr. President, it is something to get exercised about. The geostrategic reality of the 21st century is that the primary danger to peace will most likely come from regional ethnic crises. We must not allow cold-blooded aggressors like Karadzic and Milosevic to get away with their terrorism. Europe, unfortunately, has other potential Karadzics and Milosevics.

After we lift the arms embargo on Bosnia and Herzegovina, we should immediately put into place a program to train Bosnian Government troops, probably in Croatia.

We should make clear that we are not neutral parties in this conflict, we are on the side of the aggrieved party, the Bosnian Government.

This does not require a single American troop to set foot in Bosnia and Herzegovina. I have been told time and again that these folks cannot defend themselves. Well, of course they cannot defend themselves, they have no weapons.

We should make it clear, Mr. President, that we are no longer signing on to this incredible policy that has been promoted in Europe.

We should call an emergency session of the North Atlantic Council and tell our allies that NATO must immediately remove itself from the U.N. chain of command in the former Yugoslavia. The conflict there already constitutes a clear and present danger to the European members of the alliance. NATO does not need the blessing of the United Nations to protect its members' vital interests.

Furthermore, we should restate to our NATO allies who have peacekeeping troops in Bosnia and Croatia that we will stand by President Clinton's commitment to extricate them, but only if the entire operation is under the command of the Supreme Allied Commander in Europe, a United States general, and only if the operation is fully conducted under NATO rules of engagement.

We should give immediate public warning to the Bosnian Serbs and their patrons in Belgrade that any further locking-on of radar to American planes flying over Bosnia will be cause for total destruction of the Bosnian Serb radar facilities, which is fully, totally within our capacity to do. Serbia

should be given fair warning that if it tries to intervene, it, too, will receive immediate and disproportionate attacks on Serbia proper.

There is no reason why our British, French, Dutch, and other NATO allies should object to this policy. If, however, Mr. President, they do not wish to follow our lead, then we should remind them that four years ago they wanted to handle this southern European problem themselves. And we should say, "Well, good luck, it is now your problem, handle it."

I do not think for a minute, Mr. President, they will take on that responsibility. It is about time this President and this administration understands that we either should do it our way or get out.

Mr. President, nothing good can come out of this latest fiasco in Bosnia. The United Nations has been definitively discredited. NATO has been defied. As usual, defenseless and blameless Bosnian Moslems have been brutalized.

This madness must stop, Mr. President. We must change our policy immediately. Tomorrow is not soon enough.

I yield the floor.

Mr. THOMPSON. Mr. President, I want to join in the comments of my distinguished colleague from Delaware. I could not agree with him more concerning the events of recent hours, and as far as our policies are concerned concerning those events in that part of the country.

What concerns me most about all of this is the credibility of the United States of America. I am beginning to wonder if we have any credibility in any part of the world anymore.

Following the disastrous U.N. lead, and to a certain extent the NATO lead there, not getting them to go along with sound policies and lifting the arms embargo with their cooperation, one sad tale after another, we have gone down a road of totally participating in the discrediting of the United Nations, of NATO, and our own country.

I think that the first step toward rectifying that certainly is not putting our own troops in there, but letting the people defend themselves, which is all they say they want to do, lifting that arms embargo, stepping back and saying, "It is your problem. You solve it. You take care of it."

That is what they deserve to do. We cannot afford to stand by, through our policies, and let this murderous activity go on, and say to the world that we, the strongest power in the world, supposedly are going to countenance that sort of thing and not use the many resources, short of troops on the ground, that we have, to do something about such terrible activities.

COMPREHENSIVE REGULATORY REFORM ACT

Mr. THOMPSON. Mr. President, I rise tonight in support of

S. 343, the Comprehensive Regulatory Reform Act of 1995. This bill is an essential part of our effort to make the Federal Government run more efficiently and effectively, and curtail its ability to impose unnecessary burdens on the American people.

We have already enacted laws that will reduce unfunded mandates and the burdens of paperwork on State and local governments, as well as the average citizen. We are moving decision-making back to the States in many important areas, because the States are closer to the people and to the problems that need to be solved. We are making real progress toward eliminating Federal departments and agencies that no longer serve a useful purpose. Most importantly, we are well on our way to requiring that the Federal Government live within its means in the form of a balanced budget.

This bill is the next logical step in this process of rethinking the role of the Federal Government in everyday life. This bill's message is very simple. It says: let Members make sure that the Federal Government adequately protects the health and safety of every American. But, also make sure that, when agencies develop regulations to provide that protection, those regulations are founded in good, common sense. Get out of the mindset that the Federal Government needs to regulate everything in this country. And, set priorities, so that the Federal Government addresses the most important problems citizens face.

How does this bill accomplish these goals? Well, the bill requires agencies to make accurate determinations about the good a potential regulation can bring about. In other words, how much disease or premature death can be avoided? Or, how much less dangerous can a situation be made? In answering these questions, the Federal agency must be as precise as possible, using the most carefully prepared and up-to-date scientific information.

Then, the agency needs to look at the negative impact that very same regulation may have on Americans. For example, how much more will the average American have to pay for a particular product? Will some Americans lose their jobs? Will some products no longer be available to American people at all? Will citizens have to spend a greater amount of their leisure time complying with Government mandates? Will preventing one disease cause an increase in some other equally dangerous disease?

Once all of these important questions have been asked and answered, S. 343 requires the Federal agency to put all of this information together and ask the central question: Do the benefits of this rule outweigh the costs? Or, in more simple terms: Does this rule produce enough good things for our citizens to make the negative impacts tolerable?

Mr. President, what I have just laid out is S. 343's approach to developing

and issuing Federal rules. I think the American people would say that this approach is based in ordinary common sense. This is how they make decisions on countless questions that come up in their own lives every single day. Do I spend money for a newer, safer car, or keep my old one? Do I put money aside for retirement or do I spend it now? Americans make calculations about the costs and benefits of their behavior all the time.

And now, Americans are asking that the Federal Government approach problems in this way too. They are asking regulators to make decisions as if they were sitting around the kitchen table. They understand that the Federal Government deals with complicated problems. What they don't understand is why the answers to these problems cannot be developed from the same process that they use at home.

Mr. President, so far, I have described the method S. 343 lays out for determining the costs and benefits of Federal regulations. Some of our colleagues believe that S. 343 would be a pretty good bill if it just stopped right there. In my view, if we could trust the agencies to do the right thing, we could stop there. Unfortunately, recent history tells us that the agencies sometime need more encouragement to actually do what is right.

Since the early 1970's, Presidents have asked Federal agencies to analyze the costs and benefits of a regulation before issuing it. On September 30, 1993, President Clinton continued that longstanding tradition by putting in place an Executive order. The philosophy and principles contained in S. 343 largely mirror those in the Executive order of President Clinton. That is where the similarity stops. As with all Executive orders, President Clinton's specifically precludes judicial review as a way of forcing agencies to consider costs and benefits before issuing rules.

If Federal agencies were complying with the Executive order, we would not be here on the Senate floor tonight. The fact is that they are not. When the whim suits them, Federal agencies comply with the Executive order. When it does not, they do not. In most cases, agencies are not making careful assessments of the positive and negative impacts of their regulations.

That is why, in my view, the judicial review provisions of S. 343 are so important—in fact, vital—to this legislation. We must provide judicial review if the legal protections we enact in this bill are to have any significance. Only the availability of judicial review will ensure that agencies will analyze the costs and benefits of major rules, as this bill requires.

Mr. President, S. 343's judicial review provisions provide an essential tool for citizens to hold their Government—and in particular unelected regulators—accountable. But, the bill does not—as its opponents charge—create new causes of action that will clog the courts. This bill merely directs courts, reviewing

otherwise reviewable agency action, to consider the compliance of the agency with the requirements of this legislation.

Mr. President, I will have more to say on the important subject of judicial review as this debate goes forward.

S. 343 contains two other provisions that will force Federal regulators to produce sensible regulations also. The first of these provisions, in my view is most important, that is chapter 8 of S. 343, which authorizes congressional review of regulations. My colleagues will recall that this language is virtually identical to the congressional review bill that the Senate passed earlier this year in the place of a 1-year moratorium on regulations.

Section 801 gives the Congress 60 days to review a final rule before that rule actually becomes effective. During that time, Congress can determine whether the rule is consistent with the law Congress passed in the first place. Perhaps more importantly, Congress can look at the rule to see if it makes good sense. I think that this process will not only hold the regulators' feet to the fire, but it will also keep Congress from passing laws that do not work or are too costly.

S. 343 also makes Federal agencies accountable by requiring them to review periodically the rules that they put on the books. Some rules that addressed important needs a long time ago are no longer necessary. Some may just need rethinking. In my view, this is a healthy process for agencies to be engaged in on a regular basis.

Mr. President, if all of this common sense is still not enough to get some of my colleagues to support this legislation, perhaps a few statistics on the cost of Federal regulation will illustrate the need to reign them in. After all, Federal regulations operate as a hidden tax on every American.

It has been estimated that the total cost of Federal regulations is about equal to the Federal tax burden on the American people—a cost of more than \$10,000 per household. One estimate of the direct cost imposed by Federal regulations on the private sector and on State and local governments in 1992 was \$564 billion; another estimate put the cost at \$857 billion.

When the total Federal regulatory burden is broken down into parts, we find several staggering statistics. Economic regulations—imposed largely on the communications, trucking, and banking industries—cost over \$200 billion a year. Paperwork costs—the cost to merely collect, report, and maintain information for Federal regulators—add another \$200 billion a year and consume over 64 billion person hours per year in the private sector. This figure does not include the massive number of hours Federal employees spend on processing and evaluation information.

Environmental regulation is estimated to cost \$122 billion, which represents approximately 2 percent of the

gross domestic product. And finally, in 1992, safety and other social regulations imposed costs ranging from \$29 billion to \$42 billion in 1992.

The numbers reflect the high costs of regulation to the private sector—and I should remind my colleagues that those costs must be borne by small businesses as well as the larger ones. As we all know, a good portion of those costs are passed through to all of us in the form of higher prices. But we also pay for the Government's costs to administer these regulations, and those costs are soaring too.

Measured in constant 1987 dollars, Federal regulatory spending grew from \$8.8 billion in 1980 to \$11.3 billion by 1992. In addition, by 1992, the Federal Government employed 124,994 employees to issue and enforce regulations—an all-time high.

Higher prices and taxes are not the only result of government regulation. A recent study done for the U.S. Census Bureau found a strong correlation between regulation and reduced productivity. The study found that plants with a significant regulatory burden have substantially lower productivity rates than less regulated plants. And that is one of the factors that I think is missing in our balanced budget debate so often, Mr. President.

We talk about spending. We talk about taxes, as we must and as is proper. But we do not talk enough about the need for growth and the need for productivity. Unless we have productivity in this country, unless we continue to grow in this country, we will never balance the budget. We will never balance the budget. And in order to have that growth in productivity we must have investment. In order to have investment we must have savings. In order to have savings we must get a handle on a ridiculous tax structure that we have in this country. We must get a handle on the national debt. And we must do something about this regulatory burden. It all goes in together and it all finds itself in the bottom line of productivity. So we are really talking about a budgetary matter here, in my estimation, as much as anything else.

Given all of these statistics, you might assume that President Clinton would cut back on Federal regulations. This is what the American people have been asking for. And, indeed, it is what President Clinton promised in his National Performance Review. In that review, the President promised to "end the proliferation of unnecessary and unproductive rules."

Instead of keeping that promise, President Clinton and his administration have gone in the opposite direction. For each of the first 2 years of the Clinton administration, the number of pages of actual regulations and notices published in the Federal Register exceeded any year since the Carter administration. Despite his rhetoric, President Clinton has increased, not decreased, the number of regulations.

The statistics I have just reviewed make a sufficiently compelling case for regulatory reform. But there is still more evidence to support the case for S. 343. Some of my colleagues have already described many examples of the existing regulations that defy common sense. There are many more stories that could be told. I would only like to add a couple to the growing list.

One example of regulation gone wild can be found in the Environmental Protection Agency's implementation of the Federal Superfund Program. As the Members of this body well know, the Superfund law requires the cleanup of some 1,200 toxic waste sites around the Nation. Under this program, the EPA and private parties have spent billions of dollars with very little to show in the way of results. Few sites have actually been cleaned up. Of the ones that have been cleaned up, many have been restored to a level of cleanliness that far exceeds any real health risks to humans.

A March 21, 1993, article from the New York Times, describes the unrealistic level of cleanup EPA required at one site.

EPA officials said they wanted to make the site safe enough to be used for any purpose—including houses—though no one was propose to build anything there. With that as the agency goal, the agency wanted to make sure children could play in the dirt, even eat it, without risk. And since a chemical in the dirt had been shown to cause cancer in rats, the agency set a limit low enough that a child could eat half a teaspoon of dirt every month for 70 years and not get cancer. Last month, the EPA officials acknowledged that at least half of the \$14 billion the nation has spent on Superfund clean-ups was used to comply with similar "dirt-eating rules," as they call them.

Mr. President, in conclusion, burdensome Federal regulations are also imposed on small businesses. Dry cleaners, in particular, must clear a large number of hurdles just to begin operating. According to the National Federation of Independent Businesses, as of 1991, the Federal Government required a new dry cleaner to fill out and comply with nearly 100 forms and manuals before it could open for business.

Yesterday, the Senate approved two important amendments to address the special problems that all small businesses, including dry cleaners, face. As amended, S. 343 now requires regulatory agencies to review regulations imposed on small entities for cost effectiveness.

Mr. President, I think the evidence is clear that our Federal regulatory system has become unreasonable and misguided. S. 343 will put it back on the right track and, therefore, I urge its passage by my colleagues.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Texas.

Mrs. HUTCHISON. Mr. President, I am very glad to follow the Senator from Tennessee. I think he made some very good points, and I think it is important that the people of America see

some of the things that are happening in this country that we have to fix. The buck stops right here, and only we can do it because we have passed these laws, and the regulators have gone far beyond what Congress ever intended.

I am the cochair of the Republican Task Force on Regulatory Reform. Because of that, I have heard from literally hundreds of employers, from Texas as well as small business people all over our country. I have heard dozens of absurd, even silly, examples of the impact of the Federal regulatory excess in our daily lives.

Senator HATCH from Utah, who has been managing the bill, has started talking about the 10 most absurd regulations of the day. He is now up to 20, and I am sure he is going to have 10 more tomorrow, that will just make people wonder what in the world is in the water up in Washington, DC.

It is going to be a good question, and I have a few myself that I want to share, to show the importance of passing this bill, to try to take the harassment off the small business people of our country.

The many egregious stories about the enforcement of some of these regulations have become legendary, and the people are asking us to say, "time out." We are not the All Star baseball game tonight, but we know what time out is, at least for baseball, and this time out is to get the regulatory train back on the track.

Common law has relied on a reasonable person approach. The standard behind our laws should be: What would a reasonable person do under these circumstances? But many of our Federal regulations seem to be designed to dictate the way in which a person, reasonable or otherwise, must act in every single situation. You know that is impossible. You cannot anticipate every single situation that might come up and write a regulation to cover that. What happens is you have too many regulations and people do not know what is really important. What are the regulators going to really enforce? And what is just trying to get to some bit of minutia? We have really taken the reasonableness out of the equation, and we have failed to allow for the application of good, old-fashioned common sense. For that reason, this debate is dominated by examples of Government out of control.

Let me give you a few. They may not rival Senator HATCH's, but these are stories that have been related to me. Take the case of a plumbing company in Dayton, TX, cited for not posting emergency phone numbers at a construction site. The construction site was three acres of empty field being developed for low-income housing. OSHA shuts the site down for 3 days until the company constructs a freestanding wall in order to meet the OSHA requirement to post emergency phone numbers on a wall.

There is a roofing company in San Antonio, TX, cited for not providing

disposable drinking cups to their workers despite the fact that the company went to the additional expense of providing sports drinks free to their employees in glass containers which the employees in turn used for drinking water. In this case you have a company that went the extra mile, went beyond just paper cups and water. They gave them the sports drink because that gets into the bloodstream faster. They did not meet the lesser standard and, therefore, were cited by OSHA.

Then there is the case of Mrs. Clay Espy, a rancher from Fort Davis, TX. She allowed a student from Texas A&M to do research on the plants on her ranch. He discovered a plant which he thought to be endangered and reported his finding. The Department of the Interior subsequently told Mrs. Espy that she could no longer graze the cattle on her family land. They had been grazing cattle there for over 100 years. But they were afraid that her cattle might eat this weed. Yes; eat the weed. It took a lawsuit and an expenditure of over \$10,000 by Mrs. Espy before the Department reversed its ruling and declared that the weed was not, in fact, endangered.

Even more absurd, if you can believe it, is the Texas small businessman who happened to have painted his office the day before an OSHA inspection, and he was cited for not having a material safety data sheet on his half-empty can of Sherwin-Williams paint.

Then there is the employer cited at a job site, in which a hot roofing kettle was in use, because the job foreman was not wearing a long-sleeved shirt. The foreman was wearing a long-sleeved shirt but he rolled up his sleeves between his wrists and his elbows because of the weather.

Recently OSHA contacted a parent company of a chain of convenience stores in Texas threatening to conduct compliance inspection after OSHA learned two employees had gotten into an argument and someone had thrown a punch and struck the other. Well, in Texas, that is not a big, unusual event, I have to say. But it was unusual to the OSHA representative who demanded a complete report of the incident and threatened to follow up with a compliance inspection if the report was not completely satisfactory and timely.

Mr. President, these numerous horror stories which have come forward since we began our efforts for regulatory reform provide convincing, I hope, evidence of a Government regulatory process that is out of control. It demonstrates the need to introduce common sense and reasonableness into a system where these qualities seem to be sorely lacking.

These cases also highlight the way the regulatory excess has been allowed to drift into absurdity. When was it decided and by whom that the Federal Government should become the national nanny? Indeed, the absurd is becoming the norm as millions of Americans who operate small businesses and

work for a living know and understand. It is Congress that has refused to acknowledge how long overdue are the fundamental reforms that we need to bring common sense into the equation. We must recognize that the Federal Government cannot issue a rule that will fix every problem which involves human behavior.

That is why one of the messages sent by the American people in 1992, and again in 1994, was, "We have had enough, and you had better fix it."

Mr. President, that is what we are trying to do with this bill. It is one of the most important pieces of legislation that we will take up this year in the reform that the people asked us to make last year. Have we heard the message? That is really the question. I am not sure that everyone in Washington really understands. I am a small business person and I know what it is like to live with the regulations and the taxes that we have put on the small business people of our country.

We must reverse this trend. Our Government must be put to the test. We must put our financial house in order, and we must decrease the size of the Federal Government and return many of these programs to the States.

The 10th amendment says that the Federal Government will have certain specific powers, and everything not specifically reserved to the Federal Government will be left to the States and to the people. Somehow we have lost track of the 10th amendment, and we aim to get it back. And this bill, the Comprehensive Regulatory Reform Act of 1995, is one way that we are going to get this country back on track and put the Government that is closest to the people down there in charge and to get the Washington bureaucrats—who have never been in small business, who really do not understand what it is like to meet a payroll, to worry about your employees, to not be sure if you are going to be able to feed the families that work for you—we are going to make sure that the Federal bureaucrats that do not understand that are no longer in control.

If we are going to be able to compete in the global marketplace, we have to change the regulatory environment. We passed this year GATT and NAFTA last year. We did that to open markets. We wanted to open free trade in the world so that we would be able to export more. We will import more, too, but we will export more. But we have told American business, yes, we are going to give you free trade, but we are going to make you compete with one arm tied behind your back. We are going to put so many regulatory excesses on you that we are going to drive up the prices and the costs, and you are not going to be able to compete in this global economy that we have created for you.

Let us put in perspective just how much this costs the businesses of our country. The businesses are the working people. The cost of complying with

current Federal regulations is estimated at between \$600 and \$800 billion a year.

That is about the cost of the income tax. Corporate and individual taxes totaled almost \$700 billion in 1994. So if you put the stealth tax of regulation, \$600 to \$800 billion a year on top of the income taxes that you pay, you can just double the checks that you wrote on April 15. You can double it because that is the stealth tax, the cost of Federal regulatory compliance.

We need fundamental change to the current regulatory process. The Regulatory Reform Act of 1995 is what will make this happen.

Businesses, especially small businesses, are finding it increasingly difficult to exist in this current regulatory environment—the same small business sector that is the engine of the economic growth of America. Government is not the economic engine of America. It is the small business people of this country that are the economic engine, and sometimes they think the Federal Government is trying to keep them from growing and prospering and creating the new jobs that keep this economy vital, so that we can absorb the new people into the system, the young people graduating from college, the immigrants that are coming to our shores for new opportunities. We have to make sure that those opportunities are there for our future generations.

We have the responsibility to make sure that the regulators are doing what Congress intends for them to do. The Regulatory Reform Act of 1995 is the way to restore congressional intent and hopefully, Mr. President, common sense. That is the mission that we must have this year, so that the people of America know we heard their voices last year and we are going to make the changes, however hard it may be, they asked us to make.

So, Mr. President, regulatory reform is a very important step that we must take. We must balance the budget. We must have regulatory reform. We must have a fair taxation system. We must not raise taxes, but, in fact, we will lower taxes and give the people back the money they rightfully earn and should be able to spend for themselves.

Mr. President, I thank you for helping us lead this country and do the right thing for the working people who are trying so hard to raise their families and do a little better for their families than maybe they were able to get as they were growing up.

I thank the Chair, and I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.